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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/767,242	01/29/2004	William A. Margiloff	E03.003/U	4775
28962 7590 01/16/2009 BUCKLEY, MASCHOFF & TALWALKAR LLC 50 LOCUST AVENUE NEW CANAAN, CT 06840				
EXAMINER VANDERHORST, MARIA VICTORIA				
ART UNIT		PAPER NUMBER		
3688				
MAIL DATE		DELIVERY MODE		
01/16/2009		PAPER		

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/767,242

Applicant(s)

MARGILOFF ET AL.

Examiner

M. VICTORIA VANDERHORST

Art Unit

3688

Period for Reply -- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 21 July 2008.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1, 2, 4, 6, 7, 10, 11 and 36-43 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1, 2, 4, 6, 7, 10, 11 and 36-43 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

Response to Amendment

This communication is in response to the amendment filed on 07/21/2008 for the application No. 10/767,242.

Claims 1, 4, 7, 10 and 11 have been amended. Claims 3, 5, 8-9, and 12-35 have been canceled. Claims 36-43 were added. Claims 1, 2, 4, 6, 7, 10, 11 and 36-43 are currently pending and have been examined. Claims 1, 2, 4, 6, 7, 10, 11 and 36-43 have been rejected.

Claim Objections

Claim 43 is objected to because of the following informalities:

Regarding to **claim 43**, "...a plurality of keywords are associated with a single advertisement category..." should apparently be -- a plurality of keywords is associated with a single advertisement category...--.

Claim Rejections - 35 USC § 103

1. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

2. Claims 1, 2, 4, 6, 7, 10, 11 and 36-42 are rejected under 35 U.S.C. 103(a) as being unpatentable over US Patent 6,907,566 (McElfresh at al) in view of US. PG PUB. 2004/0103024 (Patel) and further in view of US Patent 6,487,538 (Gupta at al).

As to claims 1, 10 and 11, McElfresh discloses a method, an apparatus and a medium storing instructions (**McElfresh discloses a method to place graphical objects such as advertisements (ads) on a webpage. Abstract**), comprising:

determining cost-per-action values (**Col. 2:19-28**) associated with a plurality of graphical advertisements to be electronically provided to users at remote user devices (**Figs. 3A, 4, 5 and 6**) via the Internet (**Col. 2:56-67, Col. 3:1-5**), the advertisements being associated with a number of different advertisers (**McElfresh's method provides a plurality of advertisements on a web page associated with different advertisers. "...The present invention relates to a method and system for optimizing the placement of graphical objects, e.g. advertisements (ads), topic tiles, or the like on a page, e.g. a webpage..."**, Col. 1:5-15. Further, **"...website providers are increasing the amount of advertising space on their webpages in order to generate more revenues. The advertisements (or ads) appear as banners, blocks, or tiles on various portions on the webpage. Typically, an advertisement serves as a click-through point to sources of more information about that particular advertiser or topic..."**, Col. 1:36-47. **McElfresh's method comprises a database of ads created and purchased by the advertisers (Col. 6:57-67, Col. 7:1-13)**;

selecting at least one of the advertisements based on the cost-per- action values, the advertisement will be displayed based on contextual information associated with

information being accessed by a user (McElfresh discloses that his system has a database of advertisements that contains data about each ad, such as price per impression, price-per-click, etc, Col 6:57-68. Furthermore, McElfresh's method calculates through different methods the cost that the advertiser pays to display an ad in a webpage, Col. 5:66-67, Col. 6:1-15. The server uses the performance data (contextual information) to derive a prioritized arrangement of the objects (ads) when the webpage is rendered on the web browser, Abstract. "...Data regarding the past performance of the objects is stored and updated as new data is received...", Col. 2:39-67, Col. 3:1-5. Next, contextual information associated with information accessed by a user is gathered in McElfresh's method and stored in a database, "...the present invention utilizes a unique system of gathering and grouping information about each particular user to the system, and then uses this information to optimize the event, or click-through traffic, for a particular graphical object, e.g. an ad, or set of ads, presented to that user...", Col. 2:39-67, Col. 3:1-5. Further, McElfresh elaborates on his method for gathering information for each particular user, "...Normally, a cookie is used by websites to detect information about a user. A cookie is a special text file that a website stores on the user's hard drive. Typically a cookie records a user's preferences when using a particular site.... A cookie is a mechanism that allows the server to store its own file about a user on the user's own computer. The file is typically stored in the subdirectory of the browser directory. The cookie subdirectory will contain a cookie file for each website which a user has visited,

and which uses cookies. Cookies have been previously used to rotate the ads that a site sends so that a page does not keep sending the same ad as it sends a succession of requested pages. Cookies have also been used to customize pages based upon the browser type. Generally, users must agree to let cookies be saved for them, and such is the common practice as it speeds up web service. Yet another practice is for a user to create a file of personal information, or a profile, for use by a contacted website...”, Col. 8:29-53).

But McElfresh does not specifically disclose determining user purchase frequency for each advertisement, the user purchase frequency being associated with an action taken by a user in response to an advertisement . However, Pate discloses a similar system and method for electronic advertising, enabling dynamic pricing. Pate discloses the user purchase frequency being associated with an action taken by a user in response to an advertisement (“...The invention implements a centralized exchange (see FIG. 13), preferably as a website. Advertisers and publishers join the service by first registering. Advertisers describe their demographic, psychographic, geographic, and economic requirements in an offer. Similarly, publishers describe the demographic, psychographic, and geographic parameters of each page, area, or channel of their website... The system tracks the actions performed for the advertisers for each and every offer, and resultant compensation due to the publishers for each and every offer. The advertiser can specify incentives that include distribution fees (CPM-based), click through fees (CPC-based), lead generation fees (CPL-based) and action-related fees (CPA-

based). Publishers are compensated for events generated at the rate specified by the advertiser incentives...” paragraph [0051]. Further, Patel defines psychographic, “...Typical psychographic data points include opinions, attitudes, and beliefs about various aspects relating to lifestyle and purchasing behavior...” , paragraph [0715]).

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to incorporate Patel's teaching into the system of McElfresh in order to provide more information about user's behavior and preferences.

Further, McElfresh does not disclose wherein the remote user device locally determines when the advertisement will be displayed. However, Gupta discloses an advertising schema wherein the remote user device locally determines when the advertisement will be displayed (“Each of the above advertising schemes relies on the insertion and transmission of the advertisement by the web host...”, Col. 5:35-40. Further, Gupta discloses a local advertising schema using the internet. advertisements and web pages are transmitted to a user from an ISP or intermediate proxy , “...According to one ore more embodiments of the invention, Internet Service Providers (ISPs) or proxies owned by an ISP insert advertisements that are transmitted from a web host to a client. Additionally, any entity may insert or replace an advertisement that is transmitted to a client. The inserted advertisement may be an advertisement that is stored in the proxy's cache or may be retrieved from a web server for an advertiser. By providing the ISP with the ability to insert the advertisement, advertisements appear on small

web sites that do not normally attract advertisers. Additionally, due to the number of advertisements placed by an ISP, small advertisers may have their advertisement appear in connection with frequently used web sites...", Col. 6:10-45, Col. 8:44-67, Col. 9:1-33).

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to incorporate Gupta's teaching into the system of McElfresh. One would have been motivated to add advertising capability to a remote device in order to improve the efficiency of the target audience process and effectively use the network resources avoiding processing overhead.

As to claim 2, McElfresh, Patel and Gupta disclose a method as in claim 1 above, and McElfresh further discloses wherein the selection of the advertisement is not based on information received from a remote user device (Col. 5:15-27).

As to claim 4, McElfresh, Patel and Gupta disclose a method as in claim 1 above, and McElfresh further discloses wherein said selecting comprises: selecting the advertisement based on the cost per action value multiplied by the user purchase frequency ("..The ads might also be grouped according to click-through percentage times the cost-per-click for each ad...", Col. 2:56-67, Col. 3:1-5, Col. 5:15-27).

As to claim 6, McElfresh, Patel and Gupta disclose a method as in claim 1 above, and McElfresh further discloses a system that displays the selected advertisement to a user (Col. 5:66-67, Col. 6:1-15).

As to claim 7, McElfresh, Patel and Gupta disclose a method as in claim 1 above, and McElfresh further discloses transmitting information about the advertisement to the remote user device (**Claim 9 of McElfresh's reference**).

As to claim 36, McElfresh, Patel and Gupta disclose a method as in claim 11 above, and McElfresh further discloses wherein the cost-per-action values comprise amounts received from the different advertisers (**McElfresh's method provides a plurality of advertisements on a web page associated with different advertisers, "...The present invention relates to a method and system for optimizing the placement of graphical objects, e.g. advertisements (ads), topic tiles, or the like on a page, e.g. a webpage..."**, Col. 1:5-15. Further, **"...website providers are increasing the amount of advertising space on their webpages in order to generate more revenues. The advertisements (or ads) appear as banners, blocks, or tiles on various portions on the webpage. Typically, an advertisement serves as a click-through point to sources of more information about that particular advertiser or topic..."**, Col. 1:36-47. McElfresh's method comprises a database of ads created and purchased by the advertisers (Col. 6:57-67, Col. 7:1-13) in connection with particular contextual information (**McElfresh discloses that his system has a database of advertisements that contains data about each ad, such as price per impression, price-per-click, etc**, Col 6:57-68. Furthermore, McElfresh's method calculates through different methods the cost that the advertiser pays to display an ad in a webpage, Col. 5:66-67, Col. 6:1-15. The server uses the performance data (contextual information) to derive a prioritized

arrangement of the objects (ads) when the webpage is rendered on the web browser, Abstract. "...Data regarding the past performance of the objects is stored and updated as new data is received...", Col. 2:39-67, Col. 3:1-5. Next, contextual information associated with information accessed by a user is gathered in McElfresh's method and stored in a database, "...the present invention utilizes a unique system of gathering and grouping information about each particular user to the system, and then uses this information to optimize the event, or click-through traffic, for a particular graphical object, e.g. an ad, or set of ads, presented to that user...", Col. 2:39-67, Col. 3:1-5. In addition, McElfresh's method elaborates on click-through-percentage data for each ad (based on context information), "...the Rad Server 112 performs a click-through percentage calculation for each ad, as shown by element 133 in FIG. 3(b). This calculation further requires access to performance information for each ad. Accordingly, an ad/content performance database 140 is provided which stores click-through-percentage data for each ad, as well as data concerning the grouping of users into different categories, or bins. A processing device, hereafter referred to as the Arbitrator 150, takes information gathered and stored about the users and processes this information into useful bins. The user data is sampled and bins are continually created which differentiate users in optimal ways for placement of ads...", Col. 7:13-32).

But, McElfresh does not disclose wherein the cost-per-action values comprise bid amounts. However, Patel discloses wherein the cost-per-action values comprise bid

amounts ("...receiving from one or more advertisers data defining offers to sell advertising media; receiving from one or more publishers data defining bids to purchase advertising media; matching an offer to sell of a contracting advertiser with one or more bids to purchase of respective contracting publishers to form respective contracts; and serving advertising content including advertising media defined by the contract to consumers accessing websites of the respective publishers...", claim 33 of Patel's reference. Moreover, "...wherein receiving data defining bids to purchase comprises receiving from the one or more publishers information about one or more of creative properties, a minimum acceptable incentive level, a minimum effective cost per thousand impressions (CPM)...", claims 38 and 39 of Patel's reference).

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to incorporate Patel's teaching into the system of McElfresh in order to provide a way of prioritize arrangement of ads on a webpage. One would have been motivated to organize ad positioning directly proportional to bid amounts.

As to claim 37, McElfresh, Patel and Gupta disclose a method as in claim 36 above. But McElfresh does not disclose wherein said selecting is further based on an advertisement rule.

However, Patel discloses wherein said selecting is further based on an advertisement rule ("...Select the system's automated process of accepting and/or rejecting offers submitted to the exchange through dynamic configurable business rule definition 415 and/or parameter selection...", paragraph [0137]).

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to incorporate Patel's teaching into the system of McElfresh in order to provide flexible filtering criteria of advertising.

As to claim 38, McElfresh, Patel and Gupta disclose a method as in claim 37 above and further McElfresh discloses wherein the contextual information comprises at least one of: (i) a keyword, (ii) a search term, or (iii) uniform resource locator information ("...In step (a), the user 200 requests 222 a webpage from the web server....In step (b), the web server 204 redirects the user 200 to the Recognizer 206. In step (c), the user 200 requests 228 the URL from the Recognizer 206. Since the user has already visited the optimizer network, they have a cookie 226 which is passed back to the Recognizer 206...", Col. 9:22-55).

As to claims 39 and 40, McElfresh, Patel and Gupta disclose a method as in claim 38 above but McElfresh does not disclose wherein said selecting is further based on supplemental information associated with the user and wherein the supplemental information is associated with geographic information.

However, Patel discloses wherein said selecting is further based on supplemental information associated with the user and wherein the supplemental information is associated with geographic information ("...The invention implements a centralized exchange (see FIG. 13), preferably as a website. Advertisers and publishers join the service by first registering. Advertisers describe their demographic, psychographic, geographic, and economic requirements in an offer. Similarly, publishers describe the demographic, psychographic, and

geographic parameters of each page, area, or channel of their website. As shown below, through the system advertisers are able to instantly submit for viewing by all publishers any number of offers on the exchange...", paragraph [0051]).

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to incorporate Patel's teaching into the system of McElfresh in order to provide additional filtering criteria of advertising.

As to claim 41, McElfresh, Patel and Gupta disclose a method as in claim 40 above and McElfresh further discloses wherein the graphical advertisement is transmitted to a user device via the Internet (Col. 2:56-67, Col. 3:1-5), but McElfresh does not disclose the graphical advertisement is displayed to the user when the user device is not communicating via the Internet.

However, Gupta discloses the graphical advertisement is displayed to the user when the user device is not communicating via the Internet (Gupta teaches that his system receives advertisement via the internet (Figs. 1 and 3). Further, his computer system is capable of displaying the advertisement when the device is communicating in a local network (LAN), but it is not no communicating through the Internet, "...If communication interface 220 is a local area network (LAN) card, communication interface 220 provides a data communication connection via network link 221 to a compatible LAN. Wireless links are also possible. In any such implementation, communication interface 220 sends and receives electrical, electromagnetic or optical signals which carry digital data streams representing various types of information... Network link 221 typically provides data

communication through one or more networks to other data devices. For example, network link 221 may provide a connection through local network 222 to local server computer 223 or to data equipment operated by an Internet Service Provider (ISP) 224. ISP 224 in turn provides data communication services through the world wide packet data communication network now commonly referred to as the "Internet" 225...". Col. 7:52-67, Col. 8:1-22).

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to incorporate Gupta's teaching into the system of McElfresh in order to provide additional networking capability to carry the advertising campaign.

As to claim 42, McElfresh, Patel and Gupta disclose a method as in claim 41 above, but McElfresh does not disclose selecting an advertisement category based on keyword associated with remote information being accessed by the user, providing an indication of the advertisement category to the user, wherein the indication of the advertisement category does not identify an advertiser; and receiving from the user an indication that the user is interested in the advertisement category.

However, Gupta discloses wherein execution of the instructions further results in, prior to said determining and selecting:

selecting an advertisement category based on keyword associated with remote information being accessed by the user ("**...Profile information may be collected and maintained by a proxy in an Online Profile Management System. FIG. 3 demonstrates the relationship of an Online Profile Management System 300 with a client 100, server 104, and proxy 102. As described above, all URL requests,**

text, and other information is transmitted from client 100 to proxy 102. Proxy 102 copies this information and stores it locally in a raw database 302. Thus, each time client 100 initiates a request for a URL, information regarding the request is stored in raw database 302. Additionally, when a user executes a search on an internet search engine, the text of the search may be stored in raw database 302...”, Col. 9:34-52);

providing an indication of the advertisement category to the user, wherein the indication of the advertisement category does not identify an advertiser; and

receiving from the user an indication that the user is interested in the advertisement category (“**...A profile is useful in determining the type of advertisement to display to a user. For example, if the profile indicates that client 100 executed a search for "flowers", the advertiser may desire to transmit a local flower shop advertisement to client 100. A profile may also be utilized to specifically target clients that utilize a competitor's goods or services...**”, Col. **10:9-22**).

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to incorporate Gupta's teaching into the system of McElfresh in order to provide advertising classification capability.

3. Claim 43 is rejected under 35 U.S.C. 103(a) as being unpatentable over US Patent 6,907,566 (McElfresh at al) in view of US. PG PUB. 2004/0103024 (Patel), further in view of US Patent 6,487,538 (Gupta at al) and further in view of US. Patent 7,152,064 (Bourdoncle).

As to claim 43, McElfresh, Patel and Gupta disclose a method as in claim 42 above, but McElfresh does not explicitly disclose wherein a plurality of keywords are associated with a single advertisement category.

However, Bourdoncle discloses a plurality of keywords are associated with a single advertisement category (**Bourdoncle teaches a computer implemented process that uses keywords, for providing to the user a series of categories relevant for his/her search, Col. 1:19-67, Col. 1-12, Col.3:34-57, Figs. 1-6**).

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to incorporate Bourdoncle's teaching into the system of McElfresh. One would have been motivated to provide searching and classification capability for enabling an advertiser to associate his/her web content with keywords and likewise advertising categories.

Response to Arguments

4. Applicant's arguments files on 07/21/2008 have been fully considered.
5. The Applicant did not add new matter.
6. The arguments regarding rejections under 35 U.S.C 102 and 103 are moot in light of the above new grounds of rejection. All the claims are rejected now under 35 U.S.C 103 above.

Conclusion

7. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. US PG. Pub. 2003/0105663 (Steinman et al). Steinman discloses a plurality of advertisements associated to a number of different advertisers. Further, His

system comprises cookies to store contextual information associated with each user behavior.

8. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the date of this final action.

Point of Contact

Any inquiry concerning this communication or earlier communications from the examiner should be directed to M. VICTORIA VANDERHORST whose telephone number is (571)270-3604. The examiner can normally be reached on regular business hours **Monday through Friday 8:30 AM to 4:30 PM**.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James Myhre can be reached on 571 272 6722. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/M. V./
Examiner, Art Unit 3688

/Raquel Alvarez/
Primary Examiner, Art Unit 3688